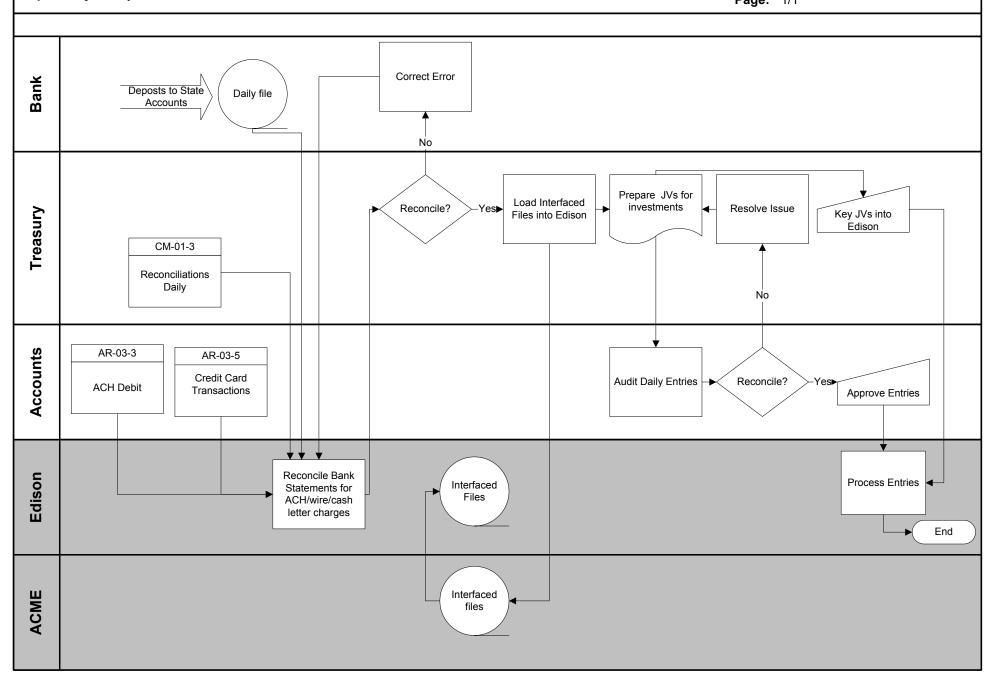
Process: Cash Management

Sub-Process: CM-01-1 Daily Reconciliation of Lead Bank and Federal Reserve

Prepared By: Project Edison – State of Tennessee

File: To Be CM-01-1 Recon Daily

Date: 10/21/05 **Page:** 1/1

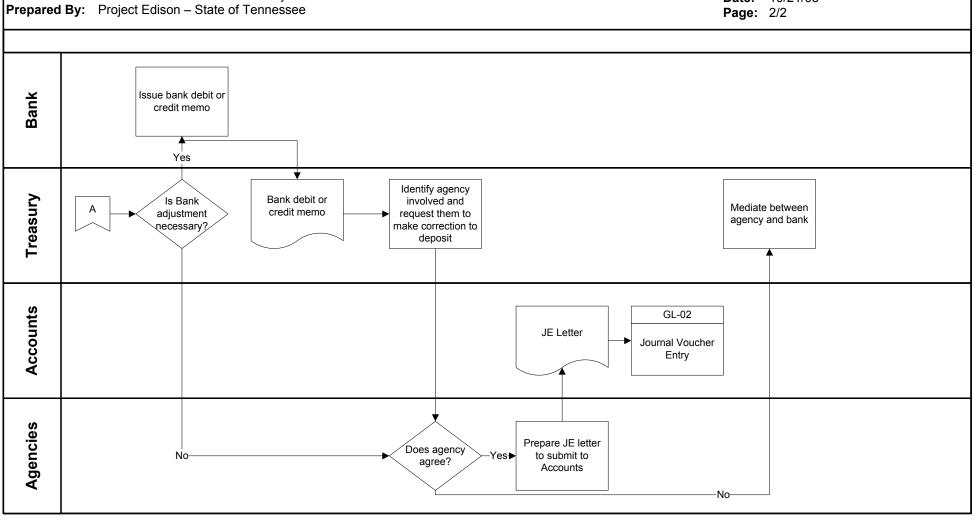


Cash Management To Be CM-01-2 Recon Monthly Process: File: Sub-Process: CM-01-2 Reconciliations-Monthly **Date:** 10/21/05 **Page:** 1/2 Prepared By: Project Edison – State of Tennessee AR-03-1 Bank Process cut-off Cash or Check date for bank Deposits that have statements been recorded End/Wait Α Yes Compare bank statement to Have two bank Is difference Agree? Edison bank cycles past? Obtain information between books and balance from bank to bank less than \$25? determine agency Treasury with difference in entries Νo No GL-02 Is difference due to Vas entry not Separate interest Journal Voucher bank code coding keyed into Prepare JV and bank charges Entry error? Edison? No Yes-Yes Agencies AR-03-1 Cash or Check Deposit that needs **Enter Deposit** to be recorded Edison Bank File Create exception Updated as report by bank Available

Process: Cash Management File: To Be CM-01-2 Recon Monthly

Sub-Process: CM-01-2 Reconciliations-Monthly

Date: 10/21/05



Process: Cash Management To Be CM-01-3 Recon Checks File: Sub-Process: CM-01-3 Reconciliations-Checks **Date:** 10/21/05 Prepared By: Project Edison – State of Tennessee **Page:** 1/2 Administrator Agency/3rd Transmit file of checks issued and Check Issued cancels to Edison Adjustment form Cash letter for wrong amount Adjustment Bank Create and Create daily MICR transmit CD of "Paid" file Images Yes Yes CD of Images Cash Letter Wait for further Resolve errors MICR Reject? adjustment Timing issue? **Treasury** processing required? 2 Copy images to Filenet Item corrected on 3 Nocurrent reject file 1 3

Ís Amount

within

tolerance?

-Yes**▶**

Daily or monthly

record report or file

Update file as

"Paid"

-Yes**⊳**

is check on

outstanding

file?

Redeemed

-No-

Issues file

Reject file

Edison

2

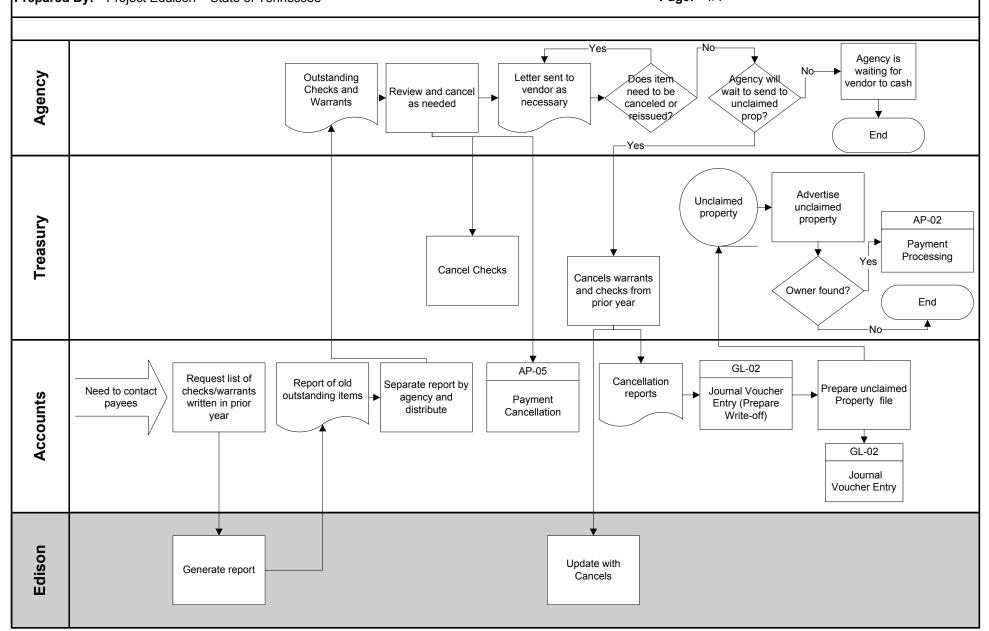
Cash Management CM-01-3 Reconciliations-Checks Process: File: To Be CM-01-3 Recon Checks Sub-Process: 10/21/05 Date: Prepared By: Project Edison- State of Tennessee Page: 2/2 Daily reports from Edison (Insurance & Unemployment Comp) Agencies Retirement Edison Updates DHS- Child Support Edison Updates

Process: Cash Management

Sub-Process: CM-01-4 Reconciliations-Checks Write-off **Prepared By:** Project Eddison – State of Tennessee

File: To Be CM-01-4 Recon Checks Write-off

Date: 10/21/05 **Page:** 1/1





Process Name: Cash Management	Process Identifier: CM
Sub-Process Name: Reconciliations	Sub-Process Identifier: CM-01
Sub Process Burness and Objectives: To reconcile each in han	k

Sub-Process Purpose and Objectives: To reconcile cash in bank.

Sub-Process Description: Project Edison will collect the necessary information to properly reconcile cash in bank.

A monthly bank statement or file, and daily debit/credit memo statements are received from the respective banks by Treasury. Additionally, Project Edison produces a deposit file to be used in the reconciliation of cash in bank. Treasury uses this information to reconcile electronic funds from the ACH process to begin the reconciliation process. Treasury sends identified reconciling items to the respective agencies for review and resolution. They also send a copy of these reconciling items to Statewide Accounting (Accounts) for review. If the reconciling item is an unrecorded deposit, the agency records the deposit. Otherwise, the agency sends the resolution of reconciling and memo items to Accounts, who will record and post the adjusting Journal Voucher entry in Edison. If the responsible agency cannot be identified for the reconciling item, Treasury researches the item for a reasonable period of time. If the item is not identified by this time, it is written off by Journal Voucher entry, which is reviewed and posted by Accounts.

Treasury uses Edison to control the redemption of checks and warrants. Edison will validate that the check/warrant is on the valid outstanding list and that the check/warrant amount is the correct amount (or within acceptable tolerance). Late in June of each year the checks/warrants that were issued in the prior fiscal year are purged from Project Edison and written off. The written off items are then transmitted to Unclaimed Property in Treasury to be advertised as being unclaimed.

Sub-Process Trigger(s):

- Deposits to State depositories
- Checks and warrants written against the state account

Key Sub-Process Participants:

- Division of Accounts
- Agencies
- Treasury

Inputs:

Input	Format	Volume/Time	Suppliers
Deposits	Electronic	20,000 per month	Agencies
Bank Statements	Electronic/paper	70 Per month	Banks
Warrants/checks written	Electronic	100,000 per month	Agencies

Outputs:

Output	Format	Volume/Time	Recipients
Reconciled bank account	Electronic	80 per month	Agencies



Process Name: Cash Management	Process Identifier: CM			
Sub-Process Name: Reconciliations	Sub-Process Identifier: CM-01			
Performance Measures Tracked:		_		
Measure	Current Value		Target Value	
Accounts balanced monthly by following month end			2 weeks of receipt of bank statement	
Reconcile warrant/ACH redemptions	Daily	Daily		
		-		
Law, Policy, or Statute Site That Govern Sub-Process:				
	tatute		Change Required (Yes/No)?	
Law, Policy, or Statute Site That Govern Sub-Process: Law, Policy, or S	tatute		Change Required (Yes/No)?	
Law, Policy, or S	tatute			
Law, Policy, or S Key Assumptions:				
Law, Policy, or Some Key Assumptions: • That the larger banks will be able to supply a bank sta				
Law, Policy, or S Key Assumptions:				